98TH CONGRESS H.R. 1566

To amend the authorities contained in the Export Administration Act of 1979, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 22, 1983

Mr. Bonker introduced the following bill; which was referred jointly to the Committees on Foreign Affairs and Rules

A BILL

To amend the authorities contained in the Export Administration Act of 1979, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SHORT TITLE
- 4 Section 1. This Act may be cited as the "Export Pro-
- 5 motion and Control Act of 1983".

1	TITLE I—AMENDMENTS TO EXPORT
2	ADMINISTRATION ACT OF 1979
3	COMPREHENSIVE OPERATIONS LICENSE
4	SEC. 101. Section 4(a) of the Export Administration
5	Act of 1979 (hereinafter in this Act referred to as "the Act")
6	(50 U.S.C. App. 2403(a)) is amended—
7	(1) by redesignating paragraph (4) as paragraph
8	(5); and
9	(2) by inserting after paragraph (3) the following
10	new paragraph:
11	"(4) A comprehensive operations license, author-
12	izing multiple exports between a domestic concern and
13	any foreign subsidiary or affiliate of that concern, in
14	lieu of a validated license for each such export.".
15	NATIONAL SECURITY CONTROLS
16	SEC. 102. (a) Subsection (b) of section 5 of the Act (50
17	U.S.C. App. 2404(b)) is amended by adding at the end there-
18	of the following new sentence: "No authority or permission
19	to export may be required under this section before goods or
20	technology are exported, in the case of exports to a country
21	which maintains export controls on such goods or technology
22	cooperatively with the United States.".
23	(b) Section 5 of the Act is amended by adding at the end
24	thereof the following new subsections:

- 1 "(m) Removal of Certain Controls.—(1) In any
- 2 case in which during any 1-year period in which export li-
- 3 cense applications have been filed for the export of a good
- 4 subject to an export control under this section, all such li-
- 5 cense applications have been approved, the Secretary shall,
- 6 at the end of that 1-year period, remove the export control on
- 7 exports of that good.
- 8 "(2) This subsection shall not apply to export controls
- 9 which the United States maintains cooperatively with any
- 10 other country.
- 11 "(n) GOODS CONTAINING MICROPROCESSORS.—
- 12 Export controls may not be imposed under this section on a
- 13 good solely on the basis that the good contains a nonrepro-
- 14 grammable imbedded microprocessor. Such an export control
- 15 may be imposed on a good containing such a microprocessor
- 16 only on the basis that the functions of the good itself are such
- 17 that the good, if exported, would make a significant contribu-
- 18 tion to the military potential of any other country or combi-
- 19 nation of countries which would prove defrimental to the na-
- 20 tional security of the United States.".
- 21 CONSULTATION WITH OTHER COUNTRIES; REPORT TO
- 22 CONGRESS
- 23 SEC. 103. (a) Section 6 of the Act (50 U.S.C. App.
- 24 2405) is amended—

1	(1) by redesignating subsections (d) through (k) as
2	subsections (e) through (l), respectively; and
3	(2) by inserting after subsection (c) the following
4	new subsection:
5	"(d) Consultation With Other Countries.—
6	Before export controls are imposed under this section, the
7	President shall consult with the countries with which the
8	United States maintains export controls cooperatively, and
9	with such other countries as the President considers appro-
10	priate, with respect to the criteria set forth in subsection (b)
11	and such other matters as the President considers appropri-
12	ate.".
13	(b) Section 6(f) of the Act, as redesignated by subsection
14	(a)(1) of this section, is amended—
15	(1) in the second sentence by striking out "submit
16	with such notification" and inserting in lieu thereof ",
17	not later than ten days after the export controls are so
18	imposed, expanded, or extended, submit to the Con-
19	gress'';
20	(2) in paragraph (1), by striking out "and" after
21	the semicolon;
22	(3) in paragraph (2), by striking out "(d)" and in-
23	serting in lieu thereof "(e)" and by redesignating such
24	paragraph as paragraph (3); and

- 1 (4) by inserting after paragraph (1) the following 2 new paragraph:
- 3 "(2) the extent and results of the consultation
- 4 with industry pursuant to subsection (c) and of the con-
- 5 sultation with other countries pursuant to subsection
- 6 (d): and".
- 7 (c) Section 6(i) of the Act, as redesignated by subsection
- 8 (a)(1) of this section, is amended by striking out "(f), and (g)"
- 9 and inserting in lieu thereof "(e), (g), and (h)".
- 10 EFFECT OF FOREIGN POLICY CONTROLS ON EXISTING
- 11 CONTRACTS
- 12 SEC. 104. (a) Section 6 of the Act (50 U.S.C. App.
- 13 2403), as amended by section 103 of this Act, is further
- 14 amended by adding at the end thereof the following new sub-
- 15 section:
- 16 "(m) Effect of Controls on Existing Con-
- 17 TRACTS.—Notwithstanding any other provision of law, any
- 18 export controls imposed under this section may not affect any
- 19 contract entered into before the date on which such controls
- 20 are imposed.".
- 21 (b) The amendment made by subsection (a) shall not
- 22 apply to export controls imposed before the date of the enact-
- 23 ment of this Act.

1	FOREIGN POLICY CONTROLS AUTHORITY
2	SEC. 105. (a) The first sentence of section 6(a)(1) of the
3	Act (50 U.S.C. App. 2405) is amended to read as follows:
4	"In order to carry out the policy set forth in paragraph
5	(2)(B), (7), or (8) of section 3 of this Act, the President may
6	prohibit or curtail the exportation from the United States of
7	any goods, technology, or other information produced in the
8	United States, to the extent necessary to further significantly
9	the foreign policy of the United States or to fulfill its declared
10	international obligations.".
11	(b) Section 6 of the Act, as amended by sections 103
12	and 104 of this Act, is further amended by adding at the end
13	thereof the following new subsection:
14	"(n) Expanded Authority to Impose Con-
15	TROLS.—(1) In any case in which the President determines
16	that it is necessary to impose controls under this section—
17	"(A) with respect to goods, technology, other in-
18	formation, or persons other than that authorized by
19	subsection (a)(1); or
20	"(B) without any limitation contained in subsec-
21	tion (c), (d), (e), (g), (h), or (m) of this section,
22	the President may impose those controls only if the President
23	submits that determination to the Congress, together with a
24	report pursuant to subsection (f) of this section with respect
25	to the proposed controls, and only if a joint resolution is en-

- 1 acted authorizing the imposition of those controls. If such a
- 2 joint resolution is introduced in either House of Congress
- 3 within 30 days of continuous session after Congress receives
- 4 the determination and report of the President, that joint reso-
- 5 lution shall be considered in the Senate and House of Repre-
- 6 sentatives in accordance with paragraphs (3) through (6) of
- 7 this subsection.
- 8 "(2) For purposes of this subsection, the term 'joint res-
- 9 olution' means a joint resolution the matter after the resolv-
- 10 ing clause of which is as follows: 'That the Congress, having
- 11 received on a determination of the President
- 12 under section 6(n)(1) of the Export Administration Act of
- 13 1979 with respect to the export controls which are set forth
- 14 in the report submitted to the Congress with that determina-
- 15 tion, authorizes the President to impose those export con-
- 16 trols.', with the date of the receipt of the determination and
- 17 report inserted in the blank.
- 18 "(3) A joint resolution once introduced shall immediate-
- 19 ly be referred to the Committee on Banking, Housing, and
- 20 Urban Affairs of the Senate and the Committee on Foreign
- 21 Affairs of the House of Representatives. If either such com-
- 22 mittee has not reported the joint resolution at the end of 30
- 23 days of continuous session after its referral, such committee
- 24 shall be deemed to be discharged from further consideration
- 25 of the resolution.

"(4) When the committee has reported, or has been dis-1 charged from further consideration of, a joint resolution, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) for any Member of the respective House to move to proceed to the 5 consideration of the resolution. The motion is highly privileged and is not debatable. The motion shall not be subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the resolution is agreed to, the resolution shall remain the unfinished business of the respective House 13 14 until disposed of. 15 "(5) Debate on the joint resolution, and on all debatable motions and appeals in connection therewith, shall be limited to not more than ten hours, which shall be divided equally between individuals favoring and individuals opposing the 19 resolution. A motion further to limit debate is in order and 20 not debatable. An amendment to a motion to postpone, or a motion to recommit the resolution, or a motion to proceed to

23 motion to reconsider the vote by which the resolution is 24 agreed to or disagreed to shall not be in order. No amend-

the consideration of other business shall not be in order. A

25 ment to the resolution is in order.

1	"(6) Appeals from the decisions of the Chair relating to
2	the application of the rules of the Senate or the House of
3	Representatives, as the case may be, to the procedure relat-
4	ing to such a joint resolution shall be decided without debate.
5	"(7) For purposes of this subsection—
6	"(A) continuity of session is broken only by an ad-
7	journment of Congress sine die, and
8	"(B) the days on which either House is not in ses-
9	sion because of an adjournment of more than three
10	days to a day certain are excluded in the computation
11	of any period of time in which Congress is in continu-
12	ous session.
13	"(8) The provisions of this subsection are enacted by the
14	Congress—
15	"(A) as an exercise of the rulemaking power of
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	the Senate and the House of Representatives, respec-
17	the Senate and the House of Representatives, respec- tively, and as such they are deemed a part of the rules
17 18	•
	tively, and as such they are deemed a part of the rules
18	tively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with
18 19	tively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House
18 19 20	tively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described in paragraph (2) of
18 19 20 21	tively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described in paragraph (2) of this subsection; and they supersede other rules only to

lating to the procedure of that House) at any time, in

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1	the same manner and to the same extent as in the case
2	of any other rule of that House.".
3	(c) The amendments made by subsections (a) and (b) of
4	this section shall not apply to export controls imposed under
5	section 6 of the Act before the date of the enactment of this
6	Act which are extended in accordance with such section 6 on
7	or after such date of enactment.
8	VIOLATIONS
9	SEC. 106. (a) Section 11(b) of the Act is amended—
10	(1) in paragraph (1) by inserting "or conspires or
11	attempts to export" after "Whoever willfully exports"
12	and
13	(2) by inserting after paragraph (2) the following
14	new paragraph:
15	"(3) Any person who possesses any goods or technol-
16	ogy—
17	"(A) with the intent to export such goods or tech-
18	nology in violation of this Act or any regulation, order
19	or license issued under this Act; or
20	"(B) knowing or having reason to believe that the
21	goods or technology would be so exported;

shall be subject to the penalties set forth in subsection (a),

23 except that in the case of a violation of an export control

24 imposed under section 5 of this Act, such person shall be

- 1 subject to the penalties set forth in paragraph (1) of this sub-
- 2 section.".
- 3 (b) Section 11(e) of the Act is amended by inserting "or
- 4 any property interest or proceeds forfeited pursuant to sub-
- 5 section (f)" after "subsection (c)".
- 6 (c) Section 11 of the Act is amended—
- 7 (1) by redesignating subsections (f) and (g) as sub-
- 8 sections (g) and (h), respectively; and
- 9 (2) by inserting after subsection (e) the following
- 10 new subsection:
- 11 "(f) FORFEITURE OF PROPERTY INTEREST AND PRO-
- 12 CEEDS.—Any person who is convicted of a violation of an
- 13 export control imposed under section 5 of this Act shall, in
- 14 addition to any other penalty, forfeit to the United States (A)
- 15 any property interest that person has in the goods or technol-
- 16 ogy that were the subject of the violation or that were used
- 17 to facilitate the commission of the violation, and (B) any pro-
- 18 ceeds derived directly or indirectly by that person from the
- 19 transaction from which the violation arose.".
- 20 (d) Section 11(h) of the Act, as redesignated by subsec-
- 21 tion (c) of this section, is amended by striking out "or (f)" and
- 22 inserting in lieu thereof "(f), or (g)".
- 23 ENFORCEMENT AUTHORITY
- 24 SEC. 107. Section 12(a) of the Act (50 U.S.C. App.
- 25 2411(a)) is amended—

1	(1) by inserting "(1)" immediately before the first
2	sentence; and
3	(2) by adding at the end thereof the following new
4	paragraphs:
5	"(2) The Secretary may designate any officer or em-
6	ployee of the Department of Commerce to—
7	"(A) carry firearms and make arrests without
8	warrant for any violation of this Act committed in his
9	or her presence or view, or if the officer or employee
10	has probable cause to believe that the person to be ar-
11	rested has committed or is committing such a violation;
12	"(B) execute any warrant or other process issued
13	by a court or officer of competent jurisdiction with re-
14	spect to the enforcement of the provisions of this Act;
15	"(C) search without warrant or process any
16	person, place, or vehicle on which, and any baggage in
17	which, the officer or employee has probable cause to
18	believe there are goods or technology being exported
19	or about to be exported in violation of this Act; and
20	"(D) seize without warrant or process any goods
21	or technology which the officer or employee has prob-
22	able cause to believe have been, are being, or are
23	about to be exported in violation of this Act.
24	"(3)(A) Notwithstanding any other provision of law, the
25	authority of customs officers with respect to violations of this

- 1 Act shall be limited to inspection or other search for and
- 2 detention and seizure of goods or technology, and any inves-
- 3 tigation conducted prior to such inspection, search, detention,
- 4 or seizure. Upon seizure by any customs officer of any goods
- 5 or technology in the enforcement of this Act, the matter shall
- 6 be referred to the Department of Commerce for further inves-
- 7 tigation and other appropriate action under this Act.
- 8 "(B) Notwithstanding any other provision of law, not
- 9 more than \$15,000,000 may be expended by the United
- 10 States Customs Service in any fiscal year in the enforcement
- 11 of this Act.
- 12 "(C) In conducting inspections of goods and technology
- 13 in the enforcement of this Act, the United States Customs
- 14 Service shall limit those inspections to goods and technology
- 15 with respect to which the Customs Service has received spe-
- 16 cific information of possible violations of this Act, and shall
- 17 not conduct random inspections which would result in the
- 18 detainment of shipments of goods or technology that are in
- 19 full compliance with this Act.
- 20 "(4) All provisions of law relating to the seizure, forfeit-
- 21 ure, and condemnation of articles for violation of the customs
- 22 laws, the disposition of such articles or the proceeds from the
- 23 sale thereof, and the remission or mitigation of such forfeit-
- 24 ures, shall apply to the seizures and forfeitures incurred, or
- 25 alleged to have been incurred, under the provisions of this

- 1 subsection or section 11(f) of this Act, insofar as such provi-
- 2 sions of law are applicable and not inconsistent with the pro-
- 3 visions of this subsection or section 11(f) of this Act; except
- 4 that all powers, rights, and duties conferred or imposed by
- 5 the customs laws upon any officer or employee of the Depart-
- 6 ment of the Treasury shall, for the purposes of this subsection
- 7 and section 11(f) of this Act, be exercised or performed by the
- 8 Secretary or by such persons as the Secretary may
- 9 designate.".
- 10 ANNUAL REPORT
- 11 SEC. 108. Section 14 of the Act (50 U.S.C. App. 2413)
- 12 is amended—
- 13 (1) by redesignating paragraphs (11) through (20)
- as paragraphs (12) through (21), respectively; and
- 15 (2) by inserting after paragraph (12) the following
- new paragraph:
- 17 "(11) the removal of export controls on goods
- pursuant to section 5(m);".
- 19 TECHNICAL AMENDMENT
- 20 SEC. 109. Section 17(a) of the Act (50 U.S.C. App.
- 21 2416(a)) is amended by striking out "Nothing" and inserting
- 22 in lieu thereof "Except as otherwise provided in this Act,
- 23 nothing".

1	AUTHORIZATION OF APPROPRIATIONS
2	SEC. 110. Section 18(b)(1) of the Act (50 U.S.C. App.
3	2417(b)(1)) is amended to read as follows:
4	"(1) \$22,500,000 for each of the fiscal years
5	1984 and 1985, of which \$15,000,000 shall be availa-
6	ble only for enforcement, and \$7,500,000 shall be
7	available for all other activities under this Act; and".
8	TERMINATION OF AUTHORITY
9	SEC. 111. Section 20 of the Act (50 U.S.C. App. 2419)
10	is amended to read as follows:
11	"TERMINATION DATE
12	"SEC. 20. The authority granted by this Act terminates
13	on September 30, 1985.".
14	TITLE II—EXPORT PROMOTION PROGRAMS
15	REQUIREMENT OF PRIOR AUTHORIZATION
16	SEC. 201. (a) Notwithstanding any other provision of
17	law, money appropriated to the Department of Commerce for
18	expenses to carry out any export promotion program may be
19	obligated or expended only if—
20	(1) the appropriation thereof has been previously
21	authorized by law enacted on or after the date of the
22	enactment of this Act; or
23	(2) the amount of all such obligations and expend-
24	itures does not exceed an amount previously prescribed
25	by law enacted on or after such date.

- 1 (b) To the extent that legislation enacted after the 2 making of an appropriation to carry out any export promotion 3 program authorizes the obligation or expenditure thereof, the 4 limitation contained in subsection (a) shall have no effect.
- 5 (c) The provisions of this section shall not be superseded 6 except by a provision of law enacted after the date of the 7 enactment of this Act which specifically repeals, modifies, or 8 supersedes the provisions of this section.
- 9 (d) For purposes of this title, the term "export promo10 tion program" means any activity of the Department of Com11 merce designed to stimulate or assist United States business12 es in marketing their goods and services abroad competitively
 13 with businesses from other countries, including but not
 14 limited to—
 - (1) trade development (except for the trade adjustment assistance program) and dissemination of foreign marketing opportunities and other marketing information to United States producers of goods and services, including the expansion of foreign markets for United States textiles and apparel and any other United States products;
 - (2) the development of regional and multilateral economic policies which enhance United States trade and investment interests, and the provision of market-

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1	ing services with respect to foreign countries and
2	regions;
3	(3) the exhibition of United States goods in other
4	countries; and
5	(4) the operations of the United States Commer-
6	cial Service and the Foreign Commercial Service, or
7	any successor agency.
8	AUTHORIZATION OF APPROPRIATIONS
9	SEC. 202. There is authorized to be appropriated for the
10	fiscal year 1984 to the Department of Commerce to carry out
11	export promotion programs \$100,458,000.

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